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**ORAL REMARKS BEFORE THE**

**COMMITTEE ON ENERGY AND NATURAL RESOURCES  
UNITED STATES SENATE**

**September 27, 2005**

Mister Chairman and members of the Committee, thank you for the opportunity to participate in this hearing and to discuss the important issues raised by the approaching expiration of the Office of Surface Mining's (OSM's) authority to collect the Abandoned Mine Land (AML) fee.

I would like to thank Senator Thomas for introducing his bill, S. 1701, as well as Senator Rockefeller for introducing his bill, S. 961. We applaud the efforts of these sponsors seeking to reauthorize OSM's authority to collect the AML fee and to make positive changes to this important program.

As we enter the third year of this reauthorization effort, it is important to keep in mind that there are an estimated 3.5 million Americans who live less than one mile from a dangerous, high-priority abandoned mine site.

The lives, health and safety of these citizens are threatened daily by these sites. People are frequently injured and too often die as a result of the hazards of abandoned coal mine lands.

The Administration believes that the AML problem is a national problem that calls for a national solution. The Administration believes AML funding

needs to be focused on the areas most damaged by this nation's reliance on coal for industrial development and wartime production, long before the establishment of reclamation requirements in the Surface Mining Control and Reclamation Act of 1977.

The AML problems that currently exist in so many states, are directly related to a state's historic coal production. Focusing the future distribution of fees based on historic production will put more money where the problems are, where it is most needed.

As you consider the proposals that have been advanced to address these needs, the Administration urges that you consider some fundamental principles that we believe should be reflected in any legislation seeking to reauthorize the AML fee collection authority. We believe that any proposal should:

- Expedite the cleanup of high priority health and safety related abandoned coal mines.
- Provide for the expedited payment of unappropriated balances to certified States and Tribes.
- And should do so within the President's mandatory and discretionary spending limits.

To honor these principles and finish the job, legislation must strike a balance that addresses both the ongoing problems faced by states with high priority coal-related health and safety issues while not placing a

disadvantage those states and tribes where the majority of fees are currently generated.

The introduction of S. 1701 and S. 961 show a continued commitment by Congress to reach resolution of the issues under debate. I think all of us share a commitment to reform OSM's fee collection authority to fulfill our mandate to address high priority health and safety concerns and to do so in a manner that directs the funds to the states and tribes where they are most needed.

The Administration supports the proposed elimination of the AML allocation for the RAMP program found within Senate bills 1701 and 961 and the reallocation of those fees for high priority needs. However, under the allocation structures of both proposals, at the fee rate and collection periods proposed, we believe an insufficient amount of funds will be collected and available to finish the job of reclaiming the high priority health and safety coal sites on the current inventory.

The Administration also supports the principal of honoring the commitments made to states and tribes under the current law through the expedited payment of unappropriated state share balances. In fact, the Administration proposed additional funding in its FY 2005 and FY 2006 budget to provide for, among other things, the accelerated return of State-share. However, we believe the proposed repayment plan in S. 1701 including provisions for mandatory spending is not consistent with the Administration's budget and program priorities.

We have submitted written testimony that more fully explains the Administration's views on the problems with the current AML distribution as well as analysis of the individual provisions of the bills under consideration.

We believe the introduction of S. 1701 and S. 961 signal the continuation of constructive efforts and a productive discussion to amend and reform the AML program. There is much work to be done to ensure that reforming the AML fee collection authority, allocation formula and other needed reforms become a reality before the looming expiration date. We recognize that these issues can be contentious but those of us at the Office of Surface Mining, are eager to continue working through them with the Committee.

Once again, we thank the Committee for this opportunity to present the Administration's views on these important legislative proposals.

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